



2455 Paces Ferry Road, N.W. • Atlanta, GA 30339-4024

July 25, 2007

**VIA FACSIMILE AND UPS OVERNIGHT DELIVERY**

Michael Calleja  
President  
B&O Manufacturing, Inc.  
245 East Harris Avenue  
South San Francisco, CA 94080

**Re: NOTICE OF TERMINATION OF EXPENSE BUYING  
AGREEMENT DATED APRIL 1, 2006**

Dear Michael:

Pursuant to Section 3.1(b) of the Expense Buying Agreement (the "Agreement") executed by B&O Manufacturing, Inc. ("B&O") and Home Depot U.S.A., Inc. ("Home Depot"), this letter shall serve as the required written notice that Home Depot is terminating the Agreement. This letter further serves to provide B&O the required sixty (60) day written notice for termination. Thus, **effective September 23, 2007**, the Agreement and all of Home Depot's related obligations to purchase B&O's services and products shall be terminated.

Home Depot expects that B&O will honor the Agreement by fulfilling all of Home Depot's currently outstanding purchase orders as well as any purchase orders Home Depot issues prior to September 23, 2007. Likewise, Home Depot will honor its volume commitment to B&O, as specified in the Agreement, until the end of the 60-day notice period. However, this letter should not be construed to include or imply any additional commitment by Home Depot to issue new purchase orders to B&O.

Section 3.1(c) of the Agreement states that "[u]nless otherwise expressly specified by Home Depot, following delivery of Home Depot's notice of termination of this Agreement, [B&O] shall complete any outstanding tasks initiated prior to receiving notice of termination." Pursuant to Section 3.1(c), Home Depot hereby expressly specifies that B&O shall complete only those outstanding tasks that are necessary to fulfill the limited orders noted in the previous paragraph.



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Finally, pursuant to Section 5 of the Agreement, please forward all Home Depot Confidential Information provided by Home Depot to B&O pursuant to the Agreement, including any copies of Confidential Information, to Scott Long in my department no later than August 8, 2007:

T. Scott Long  
Director of Procurement  
Home Depot U.S.A., Inc.  
2455 Paces Ferry Road N.W., Building D-19  
Atlanta, Georgia 30339

Should you have any questions, please contact Scott via telephone at (770) 384-5576 or e-mail at [scott\\_long@homedepot.com](mailto:scott_long@homedepot.com).

Sincerely,



Kevin Smith  
Senior Director -- Procurement  
Home Depot U.S.A., Inc.

cc: Komal Patel  
Home Depot U.S.A., Inc.